Atturra Limited
ABN 34 654 662 638
Level 33 88 Phillip St
Sydney NSW
Australia 2000

ASX Announcement
24 February 2022

Financial Results - Half year ended 31 December 2021

Attached are the following documents relating to Atturra Limited's results for the half year ended 31 December 2021:

- ASX Appendix 4D; and
- Half Year Report.

Authorised for release by the Board of Directors of Atturra Limited.

About Atturra:

Atturra is a leading ASX-listed technology services business. Atturra is a leader in designing, implementing, and maintaining IT solutions for many of Australia's largest private and public entities. Atturra offers consulting, IT services and technology solutions to accelerate digital transformation in the growing Australian IT services market, with an estimated spend of $37.0 billion in 2021.

Further information can be found on the company's website atturra.com or by contacting Atturra or email investorrelations@atturra.com

1. Company details

Name of entity:	Atturra Limited
ABN:	34 654 662 638
Reporting period:	For the half-year ended 31 December 2021
Previous period:	For the half-year ended 31 December 2020

2. Results for announcement to the market

				$'000
Revenues from ordinary activities	up	44.1%	to	61,879
Underlying Earnings Before Interest and Tax ('EBIT') *	up	138.8%	to	6,368
Profit from ordinary activities after tax attributable to the owners of Atturra Limited	up	43.0%	to	2,971
Profit for the half-year attributable to the owners of Atturra Limited	up	43.0%	to	2,971

**A reconciliation of reported EBIT to underlying EBIT is disclosed in the table on the following page.*

Dividends
During the current half-year period, a dividend of $679,000 was paid to the minority shareholders of Noetic Group Pty Ltd, a subsidiary of Atturra. No dividends were paid, recommended, or declared during the current or previous financial half-year to Atturra Limited shareholders.

Comments
The profit for the Group after providing for income tax and non-controlling interest amounted to $2,971,000 (31 December 2020: $2,078,000).

Incorporation and Company restructure
Atturra Limited (the 'Company') was incorporated on 20 October 2021 and became the parent company of Atturra Holdings Pty Limited in a restructure where existing shareholders exchanged their shares in Atturra Holdings Pty Limited Pty Limited for shares in the Company. Prior to the restructure, Atturra Holdings Pty Limited was the parent company of the Group.

The restructure has been accounted for as a capital reorganisation and did not result in a business combination for accounting purposes. Financial information of the Company has been presented as a continuation of Atturra Holdings Pty Limited. Accordingly, the assets and liabilities continued to be recorded at their existing values in the Statement of financial position. In addition, the statement of financial performance for Atturra Limited is a continuation of the existing statement of financial performance for Atturra Holdings Pty Limited.

Prior period financial information within this report represents the consolidated historical financial information for Atturra Holdings Pty Limited.

Admission to ASX and commencement of official quotation
On 20 December 2021, the Company was admitted to the Official List of ASX Limited ('ASX'). Official quotation of the Company's ordinary fully paid shares commenced on 22 December 2021. The Company raised $24,779,540 pursuant to the offer before costs under its prospectus dated 17 November 2021 ('Prospectus') as amended by supplementary prospectuses dated 24 November 2021 and 13 December 2021 by the issue of 49,559,080 shares at an issue price of $0.50 per share.

Underlying earnings before interest, taxation ('EBIT') is a financial measure which is not prescribed by the Australian Accounting Standards ('AASBs') and represents the profit under AASBs adjusted for specific items, including the Initial Public Offering ('IPO') costs, share based payment costs to eligible employees as part of the IPO process and government grants. The directors consider Underlying EBIT to be one of the key financial measures of the Group.

The following table summarises key reconciling items between statutory after-tax result attributable to the shareholders of the Company and Underlying EBIT:

	Consolidated 31 Dec 2021 $'000	Consolidated 31 Dec 2020 $'000
Profit after income tax	3,438	2,450
Add: Interest expense	134	55
Less: Interest income	(3)	(2)
Add: Income tax expense	1,962	788
Reported EBIT	5,531	3,291
IPO expense *	480	-
Share based payments – IPO **	357	-
Government grants ***	-	(625)
Underlying EBIT	6,368	2,666

* Expenses related to the IPO of Atturra Limited on the ASX completed in December 2021.
** As part of the IPO process, eligible employees acquired, at no cost, Atturra shares to the value of $1,000 each.
*** The Company received government grants during the prior period.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	12.90	7.67

Net tangible assets per ordinary security has been calculated by excluding the net right-of-use assets and lease liabilities of ($171,000) (31 December 2020: ($213,000)).

4. Control gained over entities

On 12 August 2021, the Group acquired 100% of the ordinary shares of Mentum Systems Pty Ltd. Refer to note 18 for further details.

On 20 December 2021, the Group acquired the individual entities that comprised Atturra Holdings Pty Ltd. Refer to note 13 for further details.

5. Loss of control over entities

Not applicable.

6. Dividends

During the current half-year period, a dividend of $679,000 was paid to the minority shareholders of Noetic Group Pty Ltd, a subsidiary of Atturra. No dividends were paid, recommended, or declared during the current or previous financial half-year to Atturra Limited shareholders.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates

Name of associate	Reporting entity's percentage holding Reporting period %	Reporting entity's percentage holding Previous period %	Contribution to profit (where material) Reporting period $'000	Contribution to profit (where material) Previous period $'000
Protegic Pty Ltd	24.00%	24.00%	45	-
Group's aggregate share of associates and joint venture entities' profit (where material)				
Profit from ordinary activities before income tax			45	-

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditor and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Atturra Limited for the half-year ended 31 December 2021 is attached.

12. Signed

Signed ____________________________ Date: 24 February 2022

Shan Kanji
Chairman
Sydney

Atturra Limited

ABN 34 654 662 638

Interim Report - 31 December 2021

General information

Incorporation and Company restructure
Atturra Limited (the 'Company') was incorporated on 20 October 2021 and became the parent company of Atturra Holdings Pty Limited in a restructure where existing shareholders exchanged their shares in Atturra Holdings Pty Limited Pty Limited for shares in the Company. Prior to the restructure, Atturra Holdings Pty Limited was the parent company of the Group.

The restructure has been accounted for as a capital reorganisation and did not result in a business combination for accounting purposes. Financial information of the Company has been presented as a continuation of Atturra Holdings Pty Limited. Accordingly, the assets and liabilities continued to be recorded at their existing values in the Statement of financial position. In addition, the statement of financial performance for Atturra Limited is a continuation of the existing statement of financial performance for Atturra Holdings Pty Limited.

Prior period financial information within this report represents the consolidated historical financial information for Atturra Holdings Pty Limited.

Admission to ASX and commencement of official quotation
The Company was admitted to the Official List of ASX Limited ('ASX') on 20 December 2021. Official quotation of the Company's ordinary fully paid shares commenced on 22 December 2021.

Atturra Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
Level 33, Aurora Place 88 Phillip Street Sydney NSW 2000	Level 2 10 Bond Street Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 24 February 2022.

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Atturra Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

Directors
The following persons were Directors of Atturra Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Shan Kanji – Chairman (appointed on 20 October 2021)
Stephen Kowal – Executive Director and Chief Executive Officer (appointed on 20 October 2021)
Nicole Bowman – Independent Non-Executive Director (appointed on 20 October 2021)
Jonathan Rubinsztein – Independent Non-Executive Director (appointed on 4 November 2021)

Principal activities
The Group provides whole-of-organisation technological solutions covering service lines of advisory, business applications, data & integration, cloud services, change management and managed control solutions.

Review of operations
The profit for the Group after providing for income tax and non-controlling interest amounted to $2,971,000 (31 December 2020: $2,078,000).

Earnings per share increased to 1.98 cents from 1.59 cents in the prior comparable period, reflecting an increase of 25%. Shareholders' equity attributable to owners of Atturra increased by $25,972,000 from 30 June 2021 to $37,370,000 as at 31 December 2021 and Atturra had cash on hand of $37,185,000 as at 31 December 2021 (30 June 2021: $17,328,000). Atturra has 200,550,449 shares on issue as at 31 December 2021 (30 June 2021: 145,065,427).

Underlying earnings before interest, taxation ('EBIT') is a financial measure which is not prescribed by the Australian Accounting Standards ('AASBs') and represents the profit under AASBs adjusted for specific items, including the Initial Public Offering ('IPO') costs, share based payment costs to eligible employees as part of the IPO process and government grants. The directors consider Underlying EBIT to be one of the key financial measures of the Group.

The following table summarises key reconciling items between statutory after tax attributable to the shareholders of the Company and Underlying EBIT:

	Consolidated	
	31 Dec 2021 $'000	31 Dec 2020 $'000
Profit after income tax	3,438	2,450
Add: Interest expense	134	55
Less: Interest income	(3)	(2)
Add: Income tax expense	1,962	788
Reported EBIT	5,531	3,291
IPO expense *	480	-
Share based payments – IPO **	357	-
Government grants ***	-	(625)
Underlying EBIT	6,368	2,666

* Expenses related to the IPO of Atturra Limited on the ASX completed in December 2021.
** As part of the IPO process, eligible employees acquired, at no cost, Atturra shares to the value of $1,000 each.
*** The Company received government grants during the prior period.

Significant changes in the state of affairs
Atturra Limited (the 'Company') was incorporated on 20 October 2021 and became the parent company of Atturra Holdings Pty Limited in a restructure where existing shareholders exchanged their shares in Atturra Holdings Pty Limited Pty Limited for shares in the Company. Prior to the restructure, Atturra Holdings Pty Limited was the parent company of the Group.

The restructure has been accounted for as a capital reorganisation and did not result in a business combination for accounting purposes. Financial information of the Company has been presented as a continuation of Atturra Holdings Pty Limited. Accordingly, the assets and liabilities continued to be recorded at their existing values in the Statement of financial position. In addition, the statement of financial performance for Atturra Limited is a continuation of the existing statement of financial performance for Atturra Holdings Pty Limited. Prior period financial information within this report represents the consolidated historical financial information for Atturra Holdings Pty Limited.

On 20 December 2021, Atturra Limited, issued shares exclusively to the existing shareholders of Atturra Holdings Pty Ltd. All 151,836,449 shares held by the shareholders of Atturra Holdings Pty Ltd were transferred to Atturra Limited. Atturra Limited subsequently purchased 1,559,080 shares from a retiring shareholder, reducing issued capital to 150,277,369 shares. On listing, Atturra Limited issued 49,559,080 ordinary Atturra Limited shares as part of the initial public offering process and 714,000 shares to eligible employees under the Exempt Employee Share Plan. This resulted in 200,559,449 shares being on issue. Therefore, these consolidated financial statements combine those of Atturra Limited and the commonly controlled entities at 31 December 2021.

On 20 December 2021, Atturra Limited ('ATA') was admitted to the Official List of ASX Limited ('ASX'). Official quotation of ATA's ordinary fully paid shares commenced on 22 December 2021. ATA raised $24,779,540 before costs pursuant to the offer under its prospectus dated 17 November 2021 ('Prospectus') as amended by supplementary prospectuses dated 24 November 2021 and 13 December 2021 by the issue of 49,559,080 shares at an issue price of $0.50 per share.

On 31 August 2021, the parent entity changed its name to Atturra Holdings Pty Ltd (formerly known as Foundation Technology Holdings Pty Ltd).

On 11 August 2021, FTS Nominees Pty Ltd (a wholly owned subsidiary of Atturra) entered into a share sale agreement to acquire 100% of Mentum Systems (Pty) Ltd ('Mentum') for $4.1M. Mentum Systems co-design, deploy and integrate software solutions as part of a consulting led approach to risk management, governance and assurance. The transaction was financed by a drawdown of the loan facility with 263 Finance Pty Ltd.

On 21 October 2021, Atturra Holdings Pty Ltd entered into a share sale agreement to acquire a further 25% of Noetic Group Pty Ltd for $2.8M. Post the increase in shareholding, Atturra Holdings Pty Ltd holds 80% of the shares on issue of Noetic Group Pty Ltd. Noetic is an advisory and consulting business primarily servicing the Government and Defence sectors. The acquisition was settled by issuing 5,674,810 Atturra shares at $0.50 each.

There were no other significant changes in the state of affairs of the Group during the financial half-year.

Matters subsequent to the end of the financial half-year

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the Group, if any, has been reflected in its published results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine, have started to mitigate the risks caused by COVID-19, given the recent ranging impact of the Omicron variant, it is not possible at this time to state that the pandemic will not subsequently impact the Group's operations. The main challenge with COVID-19 going forward is employee wellbeing, the psychological impact of lockdowns and the reduced capacity to bring in overseas skilled workers.

Because of the ability of Atturra's employees to work remotely and Atturra's client base still requiring IT services, COVID-19 has not had a material impact on the Group in the last six months to 31 December 2021. Management continues to monitor the situation both locally and internationally.

On 17 January 2022, Atturra Limited announced to the ASX that it had entered into a binding sale and purchase agreement to acquire Kettering Professional Services Pty Ltd, an enterprise resource planning ('ERP') solutions provider based in Brisbane, Australia which specialises in the implementation, management, and ongoing support of ERP solutions in the manufacturing sector. The maximum total purchase consideration is $5.25M in cash, with $3M payable upfront with an earn out consideration of up to $2.25M of cash subject to Kettering achieving performance hurdles on audited EBIT targets for FY22, FY23 and FY24. The purchase consideration will be funded from internal cash reserves. The transaction is scheduled to complete on 1 March 2022.

On 7 February 2022, Connexion Pty Ltd (a wholly owned subsidiary of Atturra) entered into a binding share sale agreement to acquire a further 8% of Protegic Pty Ltd for $0.2M. Post the increase in shareholding, Atturra holds 32% of the shares on issue of Protegic Pty Ltd.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

Shan Kanji
Chairman

24 February 2022

Auditor's Independence Declaration

As lead auditor for the review of Atturra Limited for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Atturra Limited and the entities it controlled during the period.

P.J. Carney

Paddy Carney
Partner
PricewaterhouseCoopers

Sydney
24 February 2022

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	Note	Consolidated 31 Dec 2021 $'000	31 Dec 2020 $'000
Revenue			
Revenue from contracts with customers	4	61,879	42,944
Cost of providing services		(40,705)	(30,718)
Gross profit		21,174	12,226
Share of profits of associates accounted for using the equity method		45	-
Government grants		-	625
Interest revenue calculated using the effective interest method		3	2
Expenses			
General and administrative expenses		(14,770)	(9,369)
Sales and marketing expenses		(447)	(191)
Impairment of receivables	6	(471)	-
Finance costs	5	(134)	(55)
Profit before income tax expense		5,400	3,238
Income tax expense		(1,962)	(788)
Profit after income tax expense for the half-year		3,438	2,450
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year		3,438	2,450
Profit for the half-year is attributable to:			
Non-controlling interest		467	372
Owners of Atturra Limited		2,971	2,078
		3,438	2,450
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest		467	372
Owners of Atturra Limited		2,971	2,078
		3,438	2,450
		Cents	**Cents**
Basic earnings per share	19	1.98	1.59
Diluted earnings per share	19	1.98	1.59

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 31 Dec 2021 $'000	Consolidated 30 Jun 2021 $'000
Assets			
Current assets			
Cash and cash equivalents		37,185	17,328
Trade and other receivables	6	21,004	22,732
Contract assets	7	1,807	294
Income tax refund due		288	-
Other current assets		1,399	469
Total current assets		61,683	40,823
Non-current assets			
Trade and other receivables	6	-	103
Investments accounted for using the equity method		542	497
Property, plant and equipment		220	281
Right-of-use assets	8	4,010	3,275
Intangibles	9	12,005	8,102
Deferred tax		4,302	4,033
Total non-current assets		21,079	16,291
Total assets		82,762	57,114
Liabilities			
Current liabilities			
Trade and other payables	10	25,459	26,504
Contract liabilities	11	1,930	3,353
Borrowings	12	1,000	257
Lease liabilities		886	711
Income tax payable		723	3,010
Employee benefits		5,489	4,790
Onerous contract provision		1,066	1,416
Total current liabilities		36,553	40,041
Non-current liabilities			
Borrowings	12	4,750	1,750
Lease liabilities		3,295	2,340
Employee benefits		454	798
Total non-current liabilities		8,499	4,888
Total liabilities		45,052	44,929
Net assets		37,710	12,185
Equity			
Issued capital	13	52,386	25,908
Reserves	14	(12,060)	(8,583)
Accumulated losses		(2,956)	(5,927)
Equity attributable to the owners of Atturra Limited		37,370	11,398
Non-controlling interest		340	787
Total equity		37,710	12,185

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2020	21,381	(6,084)	(5,915)	618	10,000
Profit after income tax expense for the half-year	-	-	2,078	372	2,450
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	2,078	372	2,450
Transactions with owners in their capacity as owners:					
Share-based payments - Stephen Kowal	-	692	-	-	692
Transactions with non-controlling interests	-	(25)	-	-	(25)
Balance at 31 December 2020	21,381	(5,417)	(3,837)	990	13,117

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2021	25,908	(8,583)	(5,927)	787	12,185
Profit after income tax expense for the half-year	-	-	2,971	467	3,438
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	2,971	467	3,438
Transactions with owners in their capacity as owners:					
Issue of shares in share swap acquisition - Noetic	2,837	-	-	-	2,837
Issue of shares in IPO	24,000	-	-	-	24,000
Share issue costs in IPO, net of tax	(2,070)	-	-	-	(2,070)
Transfer from share-based payment reserve to share capital (note 14)	806	(806)	-	-	-
Share-based payments - Stephen Kowal (note 20)	548	-	-	-	548
Issue of shares under ESS - share-based payments (note 20)	357	-	-	-	357
Share-based payments - Long-Term Incentive Plan (note 20)	-	8	-	-	8
Transactions with non-controlling interests (note 14)	-	(2,679)	-	(235)	(2,914)
Dividends paid	-	-	-	(679)	(679)
Balance at 31 December 2021	52,386	(12,060)	(2,956)	340	37,710

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 31 Dec 2021 $'000	31 Dec 2020 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		62,141	44,454
Payments to suppliers and employees (inclusive of GST)		(59,174)	(37,775)
		2,967	6,679
Share of profits of associates received		45	-
Interest received		3	2
Interest and other finance costs paid		(134)	(55)
Income taxes paid		(4,151)	(1,029)
Net cash (used in)/from operating activities		(1,270)	5,597
Cash flows from investing activities			
(Payment)/proceeds for purchase of subsidiary, net of cash acquired	18	(3,484)	122
Payments for property, plant and equipment		(34)	(21)
Payments for intangibles	9	(19)	-
Net cash (used in)/from investing activities		(3,537)	101
Cash flows from financing activities			
Proceeds from issue of shares, net of costs		22,092	175
Proceeds from borrowings		4,000	18
Repayment of borrowings		(198)	(1,045)
Repayment of lease liabilities		(551)	(542)
Dividends paid		(679)	-
Net cash from/(used in) financing activities		24,664	(1,394)
Net increase in cash and cash equivalents		19,857	4,304
Cash and cash equivalents at the beginning of the financial half-year		17,328	8,799
Cash and cash equivalents at the end of the financial half-year		37,185	13,103

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

New or amended Accounting Standards and Interpretations adopted
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation
These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

As this is the first financial report the Company has prepared, summarised below is an overview of the significant accounting policies adopted in the preparation and presentation of the financial report. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Atturra Limited (the 'Company') was incorporated on 20 October 2021 and became the parent company of Atturra Holdings Pty Limited in a restructure where existing shareholders exchanged their shares in Atturra Holdings Pty Limited Pty Limited for shares in the Company. Prior to the restructure, Atturra Holdings Pty Limited was the parent company of the Group.

The restructure has been accounted for as a capital reorganisation and did not result in a business combination for accounting purposes. Financial information of the Company has been presented as a continuation of Atturra Holdings Pty Limited. Accordingly, the assets and liabilities continued to be recorded at their existing values in the Statement of financial position. In addition, the statement of financial performance for Atturra Limited is a continuation of the existing statement of financial performance for Atturra Holdings Pty Limited. Prior period financial information within this report represents the consolidated historical financial information for Atturra Holdings Pty Limited.

On 20 December 2021, Atturra Limited, issued shares exclusively to the existing shareholders of Atturra Holdings Pty Ltd. All 151,836,449 shares held by the shareholders of Atturra Holdings Pty Ltd were transferred to Atturra Limited. Atturra Limited subsequently purchased 1,559,080 shares from a retiring shareholder, reducing issued capital to 150,277,369 shares. On listing, Atturra Limited issued 49,559,080 ordinary Atturra Limited shares as part of the initial public offering process and 714,000 shares to eligible employees under the Exempt Employee Share Plan. This resulted in 200,559,449 shares being on issue.

Comparative figures
Comparatives have been realigned where necessary, to be consistent with current year presentation. There was no effect on profit, net assets or equity.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Atturra Limited ('Company' or 'parent entity') as at 31 December 2021 and the results of all subsidiaries for the half-year then ended. Atturra Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Note 1. Significant accounting policies (continued)

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Revenue recognition

The Group recognises revenue for its major business activities as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Project revenue - time and materials agreements

Where the Group provides services charged on the basis of time and materials, revenue is recognised over time when the services are rendered and costs are incurred. If services have not been invoiced at reporting date but are billable by the Group, an amount is recorded as contract assets.

Note 1. Significant accounting policies (continued)

Project revenue - fixed price agreements
Where the Group provides services under a fixed price agreement the performance obligation is completed over time and hence an output method based on percentage-of-completion is applied to recognise revenue. When the outcome of a fixed price agreement can be measured reliably, revenue is recognised over time based on the proportion of work performed to date relative to the total contract. When the outcome of a fixed price agreement cannot be measured reliably, revenue is recognised only to the extent the costs incurred under the contract are expected to be recoverable. If services have not been invoiced at reporting date but are billable by the Group, an amount is recorded as contract assets.

Software licensing
Software licencing revenue includes revenue received as an agent for selling software licences of other software providers. Revenue is recognised at a point in time when the software licence is sold to the customer.

Software maintenance and managed services
Software maintenance and managed services revenue is recognised over time, evenly over the life of the relevant contracts in line with the delivery of services.

Management fee revenue
One of the Group's entities, SME Gateway, recognises revenue based on a percentage of amounts billed to the end customer, rather than the full amount, as SME Gateway is considered to be an agent arranging for the member companies to provide services to the end customer. As SME Gateway is only entitled to the management fee when an amount is invoiced to the end customer, this consideration is therefore variable, depending on the invoiced amounts of services delivered. Revenue is recognised at a point in time to the extent that future reversal is not highly probable, which is usually once the services have been delivered.

Other revenue
Other Revenue mainly includes membership fees, income from security clearance and partner incentive income. Membership fees are recognised evenly over the life of the relevant contracts in line with delivery of services. Revenue from security clearances and partner incentive income is recognised at a point in time when the performance obligation is completed and control passes to the customer.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Government grants
Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the periods necessary to match them with the costs that they are intended to compensate.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 1. Significant accounting policies (continued)

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the Group has transferred goods or services to the customer but where the Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Note 1. Significant accounting policies (continued)

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	5 to 7 years
Plant and equipment	3 to 5 years
Fixtures and fittings	4 to 6 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 1. Significant accounting policies (continued)

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Software
Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Note 1. Significant accounting policies (continued)

Software-as-a-Service ('SaaS') arrangements are service contracts providing the Company with the right to access a cloud provider's application software over a period of time. Under the IFRIC treatment, SaaS costs are only recognised as intangible assets if the implementation activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the SaaS arrangement to significantly customise the cloud-based software for the company, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

Impairment of non-financial assets

Goodwill is not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial half-year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 1. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees. The Long Term Incentive plan ('LTI') plan is for executives and directors and the Exempt Employee Share plan ('ESS") plan is for all other eligible employees.

Equity-settled transactions are awards of shares, options or performance rights over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using Monte Carlo option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Issued capital
Ordinary shares are classified as equity. For Group purposes, the share capital after the reorganisation is presented at the carried forward original parent share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 1. Significant accounting policies (continued)

Dividends
Dividends are recognised when declared during the financial half-year and no longer at the discretion of the Company.

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Atturra Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial half-year, adjusted for bonus elements in ordinary shares issued during the financial half-year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Note 1. Significant accounting policies (continued)

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Monte Carlo model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Principal versus agent considerations - revenue
Management has determined that SME Gateway Pty Limited ('SME') is the agent in respect of transactions with its customers. This determination has been made on the basis that SME does not bear primary responsibility for service delivery to the customer. This is a key judgment given it significantly reduces the amount of revenue recognised by the Group.

Goodwill
The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Business combinations
As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 3. Operating segments

Identification of reportable operating segments
The Group is organised into only one operating and reporting segment based on the market it serves which is Australia. This operating segment is based on the internal reports that are reviewed and used by the Chief Executive Officer (who is identified as the Chief Operating Decision Maker ('CODM')) in assessing performance and in determining the allocation of resources.

Upon becoming a listed entity, the CODM now reviews EBIT (earnings before interest, tax) for the reportable segment's measure of profit or loss. In the comparative period the CODM reviewed the reportable segment's share of statutory profit or loss before tax. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis. Refer to note 4 for revenue from products and services.

Note 4. Revenue from contracts with customers

	Consolidated	
	31 Dec 2021 $'000	31 Dec 2020 $'000
Time and materials agreements	40,984	33,409
Fixed price agreements	15,956	6,598
Software licencing	356	349
Software maintenance and managed services	1,324	120
Management fee revenue	2,405	2,134
Other revenue	854	334
Revenue from contracts with customers	61,879	42,944

Note 4. Revenue from contracts with customers (continued)

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	31 Dec 2021 $'000	31 Dec 2020 $'000
Timing of revenue recognition		
Goods and services transferred at a point in time *	3,219	2,717
Goods and services transferred over time	58,660	40,227
	61,879	42,944

* The revenue recognised at a point in time are; software licensing, management fee revenue and other revenue.

Note 5. Expenses

	Consolidated	
	31 Dec 2021 $'000	31 Dec 2020 $'000
Profit before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	3	12
Plant and equipment	61	81
Fixtures and fittings	28	15
Buildings right-of-use assets	578	536
Total depreciation	670	644
Amortisation		
Software	19	77
Total depreciation and amortisation	689	721
Finance costs		
Interest and finance charges paid/payable on borrowings	81	-
Interest and finance charges paid/payable on lease liabilities	53	55
Finance costs expensed	134	55
Leases		
Short-term lease payments	111	31

Note 6. Trade and other receivables

	Consolidated	
	31 Dec 2021 $'000	30 Jun 2021 $'000
Current assets		
Trade receivables	18,104	22,714
Less: Allowance for expected credit losses	(459)	-
	17,645	22,714
Other receivables *	3,359	18
	21,004	22,732
Non-current assets		
Loans to related parties	-	95
Loans to third parties	-	8
	-	103
	21,004	22,835

* $3,033,000 of other receivables relates to unbilled receivables for services completed as at 31/12/2021. (30/06/2021: Nil)

Allowance for expected credit losses
The Group has recognised a loss of $471,000 (2020: $nil) in profit or loss in respect of the expected credit losses for the half-year ended 31 December 2021.

Note 7. Contract assets

	Consolidated	
	31 Dec 2021 $'000	30 Jun 2021 $'000
Current assets		
Contract assets	1,807	294

Reconciliation
Reconciliation of the written down values at the beginning and end of the current and previous financial half-year are set out below:

	31 Dec 2021 $'000	30 Jun 2021 $'000
Opening balance	294	1,527
Additions	28,372	34,450
Transfer to trade receivables	(26,859)	(35,683)
Closing balance	1,807	294

Note 8. Right-of-use assets

	Consolidated	
	31 Dec 2021 $'000	30 Jun 2021 $'000
Non-current assets		
Buildings - right-of-use	5,469	5,345
Less: Accumulated depreciation	(1,459)	(2,070)
	4,010	3,275

Note 8. Right-of-use assets (continued)

The Group leases buildings for its offices under agreements of between five to seven years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The Group leases office equipment under agreements of less than one year. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Buildings $'000
Balance at 1 July 2021	3,275
Additions	1,313
Depreciation expense	(578)
Balance at 31 December 2021	4,010

Note 9. Intangibles

	Consolidated 31 Dec 2021 $'000	Consolidated 30 Jun 2021 $'000
Non-current assets		
Goodwill - at cost	11,957	8,054
Software - at cost	1,792	1,773
Less: Accumulated amortisation	(1,744)	(1,725)
	48	48
	12,005	8,102

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Goodwill $'000	Software $'000	Total $'000
Balance at 1 July 2021	8,054	48	8,102
Additions	-	19	19
Additions through business combinations (note 18)	3,903	-	3,903
Amortisation expense	-	(19)	(19)
Balance at 31 December 2021	11,957	48	12,005

Note 10. Trade and other payables

	Consolidated 31 Dec 2021 $'000	Consolidated 30 Jun 2021 $'000
Current liabilities		
Trade payables	8,574	11,951
Accrued expenses	3,534	1,892
Accrued staff bonuses	3,879	3,620
Payroll tax and PAYG payable	2,144	1,737
GST payable	1,990	2,231
Other payables	5,338	5,073
	25,459	26,504

Note 11. Contract liabilities

	Consolidated 31 Dec 2021 $'000	Consolidated 30 Jun 2021 $'000
Current liabilities		
Contract liabilities	1,930	3,353

Note 12. Borrowings

	Consolidated 31 Dec 2021 $'000	Consolidated 30 Jun 2021 $'000
Current liabilities		
Loan from third parties	-	25
Loan from related party (263 Finance Pty Ltd)*	1,000	-
Loan from other shareholders	-	232
	1,000	257
Non-current liabilities		
Loan from related party (263 Finance Pty Ltd)	4,750	1,750
	5,750	2,007

* The loan from related party (263 Finance Pty Ltd) has annual repayments of $1,000,000 each year starting in January 2022 with a final repayment date in January 2024 and has an interest of BBSY + 1% Interest + 2.5% Line Fee.

Note 12. Borrowings (continued)

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	31 Dec 2021 $'000	30 Jun 2021 $'000
Total facilities		
Loan from related party (263 Finance Pty Ltd)	5,750	5,750
Used at the reporting date		
Loan from related party (263 Finance Pty Ltd)	5,750	1,750
Unused at the reporting date		
Loan from related party (263 Finance Pty Ltd)	-	4,000

Note 13. Issued capital

	Consolidated			
	31 Dec 2021 Shares	30 Jun 2021 Shares	31 Dec 2021 $'000	30 Jun 2021 $'000
Ordinary shares - fully paid	200,550,449	145,065,427	52,386	25,908

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance *	1 July 2021	145,065,427		25,908
Transfer from share based payment reserve to share capital	1 July 2021			806
Share based payments - Stephen Kowal	13 October 2021	1,096,212	$0.50	548
Issue of shares in share swap acquisition - Noetic	21 October 2021	5,674,810	$0.50	2,837
Share repurchase	17 December 2021	(1,559,080)	$0.50	(780)
Issue of shares in IPO	22 December 2021	49,559,080	$0.50	24,780
Issue of shares under ESS - share-based payments	22 December 2021	714,000	$0.50	357
Share issue costs, net of tax				(2,070)
Balance	31 December 2021	200,550,449		52,386

** For Group purposes, the share capital after the reorganisation is presented at the carried forward original parent share capital. The opening balance is at cost and subsequent issues of share capital have been recorded at fair value.*

Ordinary shares
Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 14. Reserves

	Consolidated 31 Dec 2021 $'000	Consolidated 30 Jun 2021 $'000
Share-based payments reserve	8	806
Transactions with non-controlling interests	(12,068)	(9,389)
	(12,060)	(8,583)

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Transactions with non-controlling interests
This reserve is used to record the differences between the amount of the adjustment to non-controlling interests and any consideration paid or received which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

On 21 October 2021, Atturra Holdings Pty Ltd entered into a share sale agreement to acquire a further 25% of Noetic Group Pty Ltd for $2.8M. Post the increase in shareholding, Atturra Holdings Pty Ltd holds 80% of the shares on issue of Noetic Group Pty Ltd. The acquisition was settled by issuing 5,674,810 Atturra shares at $0.50 each.

Movements in reserves
Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Share-based payment $'000	Transactions with non-controlling interest $'000	Total $'000
Balance at 1 July 2021	806	(9,389)	(8,583)
Share-based payment expense (note 20)	8	-	8
Reclassification to share capital	(806)	-	(806)
Transactions with non-controlling interests	-	(2,679)	(2,679)
Balance at 31 December 2021	8	(12,068)	(12,060)

Note 15. Dividends

During the current half-year period, a dividend of $679,000 was paid to the minority shareholders of Noetic Group Pty Ltd, a subsidiary of Atturra. No dividends were paid, recommended, or declared during the current or previous financial half-year to Atturra Limited shareholders.

Note 16. Contingent liabilities

The Group has given bank guarantees as at 31 December 2021 of $494,000 (30 June 2021: $175,000) to various landlords.

The Group has no other contingent liabilities at 31 December 2021 (30 June 2021: nil).

Note 17. Related party transactions

Parent entity
Atturra Limited is the parent entity.

Note 17. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	31 Dec 2021 $	31 Dec 2020 $
Sale of goods and services:		
Sale of services to other related party	19,189	53,187
Payment for goods and services:		
Payment for services from other related party	41,925	51,469

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	31 Dec 2021 $	30 Jun 2021 $
Non-current receivables:		
Loans from related parties	-	95,052
Current borrowings:		
Loan from related party (263 Finance Pty Ltd)	1,000,000	-
Loan from other shareholders	-	231,703
Non-current borrowings:		
Loan from related party (263 Finance Pty Ltd)	4,750,000	1,750,000

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 18. Business combinations

On 12 August 2021, FTS Nominees Pty Ltd (a wholly owned subsidiary of Atturra acquired 100% of the ordinary shares of Mentum Systems Pty Ltd for the total consideration transferred of $4,100,000. Mentum Systems co-design, deploy and integrate software solutions as part of a consulting led approach to risk management, governance and assurance. The acquired business contributed revenue of $2,309,000 and profit after tax of $386,000 to the Group from 12 August 2021 to 31 December 2021. If the acquisition occurred on 1 July 2021, the half year contributions would have been revenue of $2,771,000 and profit after tax of $463,000 respectively. The values identified in relation to the acquisition of Mentum are provisional as at 31 December 2021.

Note 18. Business combinations (continued)

Details of the acquisition are as follows:

	Fair value $'000
Cash and cash equivalents	616
Trade and other receivables	318
Other current assets	67
Equipment	12
Trade and other payables	(97)
Provision for income tax	(102)
Other current liabilities	(617)
Net assets acquired	197
Goodwill (provisional amount)	3,903
Acquisition-date fair value of the total consideration transferred	4,100
Representing:	
Cash paid or payable to vendor	4,100
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	4,100
Less: cash and cash equivalents	(616)
Net cash used	3,484

Note 19. Earnings per share

	Consolidated 31 Dec 2021 $'000	Consolidated 31 Dec 2020 $'000
Profit after income tax	3,438	2,450
Non-controlling interest	(467)	(372)
Profit after income tax attributable to the owners of Atturra Limited	2,971	2,078
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	150,093,530	130,931,145
Adjustments for calculation of diluted earnings per share:		
Performance rights over ordinary shares	36,885	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	150,130,415	130,931,145
	Cents	**Cents**
Basic earnings per share	1.98	1.59
Diluted earnings per share	1.98	1.59

Note 20. Share-based payments

The Group has two incentive schemes in place, namely the Long-Term Incentive Plan ('LTIP') and Exempt Employee Share Plan ('EESP').

Long-Term Incentive Plan
The Company established a long-term incentive plan to align the interests of eligible employees with shareholders through the sharing of a personal interest in the future growth and development of the Company. A total of 750,000 Performance Rights have been granted to the CEO (Stephen Kowal) under the LTI Plan. Other executives will be granted up to an aggregate of 1,800,000 Performance Rights under the LTI Plan in April 2022. The fair value was determined using the Monte Carlo option pricing model. Further details of the valuation methodology are set out in the significant accounting policies note.

The performance criteria for the 750,000 Performance Rights issued to Stephen Kowal and key terms are set out below:
- For the year ended 30/06/2022, the Group must meet or exceed the Prospectus EBIT forecast; and
- As at the date of release of the annual audited results for 30 June 2024, the total shareholder return must be 78% or greater than the IPO issue price, based on the 30-day volume weighted average price of Atturra Limited ordinary shares for the 30 days before the date of announcement of the 30 June 2024 financial results.
- Mr. Kowal must remain in the employment of Atturra and if the vesting conditions are met, 375,000 Performance Rights are scheduled to vest in December 2024 and 375,000 Performance Rights are scheduled to vest in December 2025.

Other executives will be granted up to an aggregate of 1,800,000 Performance Rights under the LTI Plan in April 2022.

The fair value of the Performance Rights were determined using the Monte Carlo option pricing model.

Exempt Employee Share Plan
The Company has also established an Exempt Employee Incentive Plan to align the interests of eligible employees of the Company (and Associated Companies) with Shareholders (Exempt Employee Incentive Plan or Share Plan). 714,000 shares have been issued under the Share Plan as at 31 December 2021 as part of the IPO process. A fair value of $0.50 was used to calculate the share-based payment expense.

Set out below are summaries of the performance rights granted under the plans:

Long-term incentive plan	Number of performance rights 31 Dec 2021
Outstanding at the beginning of the financial half-year	-
Granted	750,000
Outstanding at the end of the financial half-year	750,000
Exercisable at the end of the financial half-year	-

The weighted average remaining contractual life of performance rights outstanding at the end of the financial half-year was 3.5 years.

For the performance rights granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
10/11/2021	31/12/2024	$0.50	$0.00	55.00%	-	1.19%	$0.291
10/11/2021	31/12/2025	$0.50	$0.00	55.00%	-	1.19%	$0.285

Note 20. Share-based payments (continued)

Set out below is a summary of the share-based payment expense for the financial half-year:

	Consolidated	
	31 Dec 2021 $'000	31 Dec 2020 $'000
Long-Term Incentive Plan	8	-
Exempt Employee Share Plan	357	-
Long-term incentive share allotment *	548	-
	913	-

* In order to align the interests of Group and Stephen Kowal and to create an appropriate incentive for future growth and development of the Group, 1,096,212 shares were issued to Stephen Kowal and a fair value of $0.50 was used to calculate the share-based payment expense.

Note 21. Events after the reporting period

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the Group, if any, has been reflected in its published results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine, have started to mitigate the risks caused by COVID-19, given the recent ranging impact of the Omicron variant, it is not possible at this time to state that the pandemic will not subsequently impact the Group's operations. The main challenge with COVID-19 going forward is employee wellbeing, the psychological impact of lockdowns and the reduced capacity to bring in overseas skilled workers.

Because of the ability of Atturra's employees to work remotely and Atturra's client base still requiring IT services, COVID-19 has not had a material impact on the Group in the last six months to 31 December 2021. Management continues to monitor the situation both locally and internationally.

On 17 January 2022, Atturra Limited announced to the ASX that it had entered into a binding sale and purchase agreement to acquire Kettering Professional Services Pty Ltd, an enterprise resource planning ('ERP') solutions provider based in Brisbane, Australia which specialises in the implementation, management, and ongoing support of ERP solutions in the manufacturing sector. The maximum total purchase consideration is $5.25M in cash, with $3M payable upfront with an earn out consideration of up to $2.25M of cash subject to Kettering achieving performance hurdles on audited EBIT targets for FY22, FY23 and FY24. The purchase consideration will be funded from internal cash reserves. The transaction is scheduled to complete on 1 March 2022.

On 7 February 2022, Connexion Pty Ltd (a wholly owned subsidiary of Atturra) entered into a binding share sale agreement to acquire a further 8% of Protegic Pty Ltd for $0.2M. Post the increase in shareholding, Atturra holds 32% of the shares on issue of Protegic Pty Ltd.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Shan Kanji
Chairman

24 February 2022

Independent auditor's review report to the members of Atturra Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Atturra Limited (the Company) and the entities it controlled from time to time during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Atturra Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date

2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the

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half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

PricewaterhouseCoopers

P.J. Carney

Paddy Carney
Partner

Sydney
24 February 2022